POLICE AND CRIME COMMISSIONER FOR LINCOLNSHIRE AND LINCOLNSHIRE POLICE Policy Document

Code of Ethics

All staff involved in carrying out functions under any force policy and associated procedures and appendices will do so in accordance with the principles of the Code of Ethics. The aim of the Code of Ethics is to support each member of the policing profession to deliver the highest professional standards in their service to the public

1. POLICY IDENTIFICATION PAGE

POLICY TITLE:	Anti Fraud and Corruption Policy For the Office of the Police and Crime Commissioner for Lincolnshire And Lincolnshire Police
POLICY REFERENCE NO:	PD 161 (8)

POLICY OWNERSHIP:	
ACPO Commissioning Officer:	OFFICE OF POLICE AND CRIME COMMISSIONER FOR LINCOLNSHIRE CHIEF FINANCE OFFICER AND DEPUTY CHIEF CONSTABLE
Portfolio / Business-area Owner:	PROFESSIONAL STANDARDS
Department Responsible:	PROFESSIONAL STANDARDS
Person Responsible:	SUPERINTENDENT PROFESSIONAL STANDARDS

Links or overlaps with other policies/strategies:

UNMANAGEABLE DEBT POLICY PD 200
INTELLIGENCE AND COVERT POLICING PROTOCOL FOR PROFESSIONAL STANDARDS PD 73
PROFESSIONAL STANDARDS REPORTING POLICY PD 48
PROFESSIONAL STANDARDS POLICE COMPAINTS AND MISCONDUCT POLICY PD 21
VETTING POLICY PD 130

POLICY EFFECTIVE DATE:	JUNE 2016
POLICY REVIEW DATE:	MAY 2017

VERSION:	DATE:	REASON FOR ISSUE:
	Feb-2010	New policy.
(1)	July 2011	Annual review, updated in light of new Bribery Act legislation.
(2)	March 2012	Updates relating to Local Policing Body (transition to Police and Crime Commissioner).
(3)	November 2012	Updated to reflect new Police and Crime Commissioner for Lincolnshire. Transition note removed.
(4)	May 2013	Annual review.
(5)	June 2014	Annual review. Updated to reflect the establishment of the Chief Constable as a Corporation Sole.
(6)	May 2015	Annual Review. Updated to reflect the UK Anti-Corruption Plan and the CIPFA Code of Practice on Managing the Risk of Fraud and Corruption.
(7)	July 2016	Annual review - in consultation with designated attendees of quarterly Anti-fraud and corruption meeting.
(8)	January 2017	Reference to Anti-fraud and corruption group added.

2. Legislative Compliance

This document has been drafted to comply with the principles of the Human Rights Act.

Public disclosure is approved unless otherwise indicated or justified.

Adherence to this policy will ensure compliance with all relevant legislation and internal policies.

3. POLICY STATEMENTS/INTENTIONS

3.1 *The principles and scope of the policy*

Fraud and corruption can have a severe impact on the operation, status and reputation of an organisation, particularly the Office of the Police and Crime Commissioner for Lincolnshire (OPCC) and Lincolnshire Police, and should therefore be opposed at every opportunity.

The Police and Crime Commissioner (PCC) for Lincolnshire and Lincolnshire Police are committed to a culture of honesty, integrity and propriety in the holding of public office and the use of public funds. The Lincolnshire Police vision is ‘Serving with PRIDE’, Professionalism, Respect, Integrity, Dedication and Empathy which further builds on the public’s trust and confidence which we currently enjoy.

Fraud and Corruption are an ever-present threat to our organisations. They undermine our ability to police in a professional and cost effective way and may affect the way we utilise our finite resources. Neither the force nor the PCC will tolerate fraud or corruption in the administration of our responsibilities, whether they

are from inside or outside our organisations. Both will seek to apply all available sanctions, including civil, criminal and disciplinary in the case of fraud or corruption being identified. The current world economic climate is putting pressure on our society and there is an ever-growing need to be robust in deterring and detecting fraud and corruption within the organisations. There is untold damage that can be caused to our reputation by any of our employees being involved in fraud or corrupt practices, as it can seen by our public as a diversion of public funds for personal gain.

For the purposes of this policy Fraud and Corruption have been defined as follows:

> **Fraud:** The intentional distortion of financial statements or other records and/or the misappropriation of assets or otherwise for gain. This may include: The use of a Force asset for personal gain e.g. the private use of a force vehicle; falsifying travel and subsistence claims, falsifying overtime or flexi claims, and obtaining employment through false qualifications.
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> **Corruption:** The offering, giving, soliciting or acceptance of an inducement or reward which may influence a person to act against the interests of the organisation, and can be simply described as 'the misuse of power for a private gain'. This may include: gifts and hospitality, inappropriate association, drugs misuse, computer misuse, sexual misbehaviour against the public, pecuniary interests of the police and Chief Constable, PCC, Deputy PCC and staff, and disposal of assets.

This policy applies to ALL persons employed by Lincolnshire Police and the PCC - Police Officers, Police staff, Volunteers, the OPCC, our strategic partner G4S, other commercial partner(s) staff and all external persons with whom the PCC and the Chief Constable conducts business.

3.2 *The aim of the policy*

The aim of the policy is to prevent fraud and corruption within Lincolnshire Police and the OPCC. The policy will assist individuals and their line managers in ensuring that their actions can withstand scrutiny. The policy also provides an overview of our response to any incidents of fraud or corruption. The overall aim is to maintain the reputation and integrity of Lincolnshire Police and the PCC.

4. INTRODUCTION/LEGAL BASIS

4.1 *The origins/background information*

The integrity of the force has a massive impact upon public confidence. In order to discharge its duties to the public members of the organisation need to act within the principles of PRIDE and the national policing Code of Ethics. The introduction of The Bribery Act 2010, places an obligation on the organisation to have in place policies that ensure all transactions it undertakes are carried out with integrity. This policy will go some way to address the standards expected and should be read in conjunction with The Business Interest and Additional Employment Policy PD 23(2) and The Gifts and Hospitality Policy PD 26. Anti-money Laundering Policy PD 220, Whistleblowing Policy (Professional Standards Reporting Policy PD 48) and the National Policing Code of Ethics.

The Criminal Justice and Courts Act 2015 introduces legislation to bring criminal

prosecutions against police officers who have acted corruptly.

Her Majesty's Inspectorate of Constabulary (HMIC) conducts inspections of the anti-corruption capability of police forces in England and Wales including the ability of professional standards departments to gather regular, actionable, intelligence on corruption matters.

Integrity is part of the core values of policing and its importance is made clear to every officer. At the beginning of his/her service, a police officer is required (Police Act 1996, section 29) to make an attestation to serve with fairness, integrity, diligence and impartiality.

More generally, the importance of integrity is reinforced in a number of ways, including through the standards of behaviour in the statutory guidance on police officer misconduct, unsatisfactory performance and attendance management procedures, and the Code of Ethics. The standards of behaviour are defined in the Police (Conduct) Regulations 2012 as:

Honesty and Integrity

Police officers are honest, act with integrity and do not compromise or abuse their position.

Authority, Respect and Courtesy

Police officers act with self-control and tolerance, treating members of the public and colleagues with respect and courtesy.

Police officers do not abuse their powers or authority and respect the rights of all individuals.

Equality and Diversity

Police officers act with fairness and impartiality. They do not discriminate unlawfully or unfairly.

Use of Force

Police officers only use force to the extent that it is necessary, proportionate and reasonable in all the circumstances.

Orders and Instructions

Police officers only give and carry out lawful orders and instructions.

Police officers abide by police regulations, force policies and lawful orders.

Duties and Responsibilities

Police officers are diligent in the exercise of their duties and responsibilities.

Confidentiality

Police officers treat information with respect and access or disclose it only in the proper course of police duties.

Fitness for Duty

Police officers when on duty or presenting themselves for duty are fit to carry out their responsibilities.

Discreditable Conduct

Police officers behave in a manner which does not discredit the police service or undermine public confidence in it, whether on or off duty.

Police officers report any action taken against them for a criminal offence, any conditions imposed on them by a court or the receipt of any penalty notice.

Challenging and Reporting Improper Conduct

Police officers report, challenge or take action against the conduct of colleagues which has fallen below the Standards of Professional Behaviour.

The Code of Ethics makes clear that any form of unprofessional behaviour up to and including criminal and corrupt behaviour not only detracts from the service that the police provide to victims of crime and the public, it also risks losing public trust and confidence in the police.

The CIPFA Code of Practice on Managing the Risk of Fraud and Corruption (October 2014) has been adopted by the Chief Constable and Commissioner (at Police and Crime Strategic Board in May 2015). It provides a set of principles defining the governance and operational arrangements necessary for an effective counter fraud response. A statement about the extent to which the organisation is adhering to the code is included in the Chief Constable's annual governance statement. A copy of the code is available via the CIPFA website:

http://www.cipfa.org/services/networks/better-governance-forum/counter-fraud-documentation/code-of-practice-on-managing-the-risk-of-fraud-and-corruption

4.1.1 ***Responsibilities***

Senior officers and senior managers of the organisations are required to deal swiftly and firmly with those who defraud or who are corrupt. They have processes in place to prevent fraud and corruption.

All members of the OPCC and Force (including commercial partners on business for Lincolnshire police) have a duty to report any suspected fraudulent or corrupt practice affecting the PCC or the Force at the earliest opportunity.

Members of outside bodies and members of the public are also encouraged to report any suspected fraudulent or corrupt behaviour.

Individuals and organisations such as suppliers, contractors, service providers that the PCC and Force conducts business with, will act towards the PCC and Force with integrity and a total absence of fraudulent or corrupt practices.

The OPCC Chief Finance Officer (CFO) has statutory duties and overall responsibility for the financial administration of the Force and PCC (s.151 of the Local Government Act 1972, s.112 of the Local Government Finance Act 1988 and the Financial Management Code of Practice issued under section 17 of the Police Reform and Social Responsibility Act 2011) and therefore must be informed of any initial report, giving rise to any suspected fraud or corruption.

The statutory responsibilities of the Force CFO are largely identical to those of the CFO of the PCC. They are set out in paragraph 4 of Schedule 2 and paragraph 1 of Schedule 4 to the Police Reform and Social Responsibility Act 2011, section 114 of the Local Government Finance Act 1988 and the Accounts and Audit (England) Regulations 2011.

In those cases where sufficient evidence is available, criminal and/or disciplinary action will be taken by the organisations. Civil recovery (including civil court action) of funds lost by fraud and corruption will be considered in all established cases.

Senior officers and senior managers of the organisations will ensure that effective procedures, practices and controls are in operation in their areas of responsibility to minimise the opportunities for fraud and corruption.

The PCC and the Force will demonstrate that it is creating a strong deterrent effect by publicising successful cases of fraud and corruption and any successful recovery of losses.

4.2 *Motivators/Driving Forces*

The prevention of Fraud and Corruption is an essential element in maintaining the reputation of the Force and the PCC. Both organisations need to ensure that through their policies and procedures, behaviours that affect the integrity and reputation of the Force and OPCC are highlighted and addressed appropriately.

The Bribery Act 2010 requires organisations to have in place adequate procedures to prevent bribery occurring.

4.3 *General Principles of the Policy*

The policy aims to address corruption and fraud within the Force and OPCC by compliance with the Bribery Act 2010; the Fraud Act 2006 and the Criminal Justice and Courts Act 1996. The policy also sets out a clear pathway for prevention, reporting and investigation of such issues.

4.3.1 *Anti-fraud and corruption strategy*

The PCC and Force are committed to an effective anti-fraud and corruption strategy based around the following strands:

- Honest culture
- Encourage prevention
- Promote detection and timely reporting
- Identify a clear pathway for investigation
- Training
- Provide support and guidance for staff that may be in financial difficulty. These staff members are most a risk of fraudulent or corrupt practices
- Record of Lincolnshire Police and Staff who have been subject of any County Court Judgements of who have been declared Bankrupt for example. These notices are securely stored in the Professional Standards Department (PSD).

There is a high level of external scrutiny of organisational affairs by a variety of bodies including:

- HMIC
- External Audit

- HM Revenue and Customs
- Internal Audit
- Local Communities
- The Media

Application of this policy applies to the Chief Constable, all officers and staff employed by the Chief Constable, the PCC, Deputy PCC and all officers engaged in carrying out duties of the PCC. Detection, prevention and reporting of fraud and corruption is the responsibility of the Chief Constable, the PCC, Deputy PCC and the OPCC. The PCC and Chief Constable offer reassurance that any concerns will be treated in confidence and properly investigated without fear of reprisal or victimisation. All suspected fraud and corruption will be investigated in accordance with this strategy and policy.

Guidelines for Reporting Irregularities and How the PCC and Chief Constable Will Respond are attached at **Appendix 1.**

The force in consultation with the OPCC has completed an assessment of our capability to prevent, detect and manage instances of fraud and corruption utilising the CIPFA Code of Practice for Managing the Risk of Fraud and Corruption.

In line with the principles of the Code of Practice, the Force and OPCC have agreed a number of actions to assist in identifying and managing risk from fraud and corruption:

- The Anti-Corruption Unit (ACU) has access to the Chief Officer personal diaries to examine possible contract conflicts.
- The Force carries out data triangulation of the Business Interests Register and the Gifts and Hospitality Register cross referenced with Procurement contracts.
- The Force provides support for individuals making a ‘protected disclosure’, encouraging employees to confidently report instances of ‘wrongdoing’. The protection afforded to the individuals is applied under the ‘qualifying disclosure rules’.
- The Force has introduced a debt management policy (Unmanageable Debt policy), which does not only concentrate on welfare needs of the individuals but informs the Vetting Department and the ACU about those individuals who may be susceptible to corrupt approaches.
- An Anti-Money Laundering policy has been created and came into effect from April 2016 (PD220)
- The Force has promoted, through e-mail and Routine Order, publication of the new Police Corruption Offence under the Criminal Justice and Courts Act 2015.
- The Force will create an annual strategic threat and risk assessment of fraud and corruption.
- In areas of the organisation where fraud and corruption are identified as potential risks, there are a number of audit processes and internal controls in place to mitigate the risk.
- The PCC has commissioned Mazars to conduct a perception of fraud and corruption survey across the force. This will help to identify areas where there is potential for further work to be conducted.
- An Anti-fraud and corruption group has been established and they meet regularly in accordance with their Terms of Reference. Their stated purpose is: *“ …to enable the group to discuss the current and emerging risks and issues in relation to anti-fraud and corruption and whistleblowing”.* Actions arising are recorded.

4.3.2 *Culture*

The Chief Constable and PCC are determined that the culture and tone of the organisation is one of honesty and integrity and opposition to fraud and corruption.

There is an expectation and requirement that all individuals and organisations associated in any way with the PCC and Chief Constable will act with integrity and both will lead by example in these matters. All staff are positively encouraged to raise any concerns they may have as it is often the alertness of such individuals that enables detection to occur and the appropriate action to be taken against fraud or corruption. Concerns may be about something that:

- Is unlawful
- Is against the organisation's Standing Orders or policies
- Falls below established standards or practices
- Results in waste or loss to the organisation
- Amounts to improper conduct.

The Chief Executive and DCC (delegated to Head of Professional Standards Department) is responsible for following up any allegation or suspicion of fraud or corruption received and will do so through clearly defined procedures. These procedures are designed to:

- Deal promptly with the matter
- Record all evidence received
- Ensure that evidence is sound and adequately supported
- Ensure security of all evidence collected
- Notify relevant bodies
- Implement disciplinary procedures where appropriate.

If necessary, a route other than a normal line manager may be used to raise such issues. Examples of such routes are:

- OPCC CFO or Force CFO
- OPCC Chief Executive & Monitoring Officer
- Internal / External Auditors
- Staff Associations
- Bad Apple confidential reporting process.
- Direct to the Anti-corruption Unit (Professional Standards Department)

There may be circumstances where a person may prefer to contact an external agency through the following contacts:

- Government fraud helplines (see www.gov.uk)
- Public Concern at Work – independent charity offering free advice on fraud or other issues of malpractice
- Crimestoppers

If a person decides to take the matter outside the organisation, they should ensure that they **do not** disclose 'Confidential' or 'Restricted' information.

Members of the public are also encouraged to report concerns through any of the above avenues or through the Professional Standards Department or the Independent Police Complaints Commission (IPCC).

Allegations/concerns can be made anonymously; however, it should be noted that such cases can be more difficult to investigate. The likelihood of action will depend on:

- The seriousness of issues raised
- Credibility of the concern

- Likelihood of confirming the allegation from attributable sources.

4.3.3 ***Prevention***

The PCC and Chief Constable recognise that a key preventative measure in the fight against fraud and corruption is to take effective steps at the recruitment stage to establish, as far as possible, the previous record of potential staff, in terms of their propriety, integrity and honesty. In this regard temporary and contract staff should be treated in the same manner as permanent staff. Vetting and security clearance are therefore a prerequisite to appointment.

The police, like all organisations, may also suffer from an attempted fraud by an external party (e.g. submission of a fraudulent invoice); or an external person pretending to be a Force official and issuing payment instructions. Staff should be alert to the potential for such fraud and review systems and processes to prevent any that may be attempted.

The PCC and Chief Constable are committed to working and co-operating with other organisations to prevent organised fraud and corruption. Wherever possible, the PCC and Chief Constable will be prepared to help and exchange information with other PCCs, forces and organisations to deal with fraud.

The PCC and Chief Constable will assess the possibility of fraud within their risk management processes. This will include consideration of the following:

- Three key fraud risk factors (opportunity, motive and rationalisation)
- Likelihood, significance and pervasiveness of fraud risks
- The risk of management over-ride of control
- Mitigating programmes and controls to each identified fraud risk.

The organisations are committed to raising the awareness of the key fraud risks with appropriate staff.

All employees are expected to follow any Code of Conduct related to their personal professional qualifications and also abide by any Rules of Conduct as published.

The PCC, Deputy PCC and staff are also required to declare in a public Register any offers of gifts or hospitality which are in any way related to the performance of their duties in relation to the organisation. The Register will be held by the Chief Executive and made available to the public on request.

Chief officers, the senior leadership team and all staff working for Lincolnshire Police are required to comply with policy PD26 (Gifts & Hospitality). The register will be held by Professional Standards. It is periodically published for public access, and is available for inspection.

Significant emphasis has been placed on the thorough documentation of financial systems, and every effort is made to continually review and develop these systems in line with best practice to ensure efficient and effective internal controls. The adequacy and appropriateness of the organisation's financial systems is independently monitored by both Internal and External Audit. Senior management places great weight on being responsive to audit recommendations.

Arrangements are in place to continue to develop and encourage the exchange of information between the PCC, police force and other agencies on national and local fraud and corruption activity in relation to PCCs and police forces.

Fraud Risk Indicators: The following are warning signs that fraud/corrupt practices may be occurring:

- Employees under stress without a high workload
- Always working late or arriving early
- Reluctance to take leave
- Refusal of promotion
- Unexplained wealth
- Sudden change in demeanour or lifestyle
- Cosy relationship with suppliers/contractors
- Suppliers/contractors requesting to deal with one particular staff member
- Improper use/access of computer records

4.3.4 ***Standards in Public Life – the 'Nolan Principles'***

The Committee on Standards in Public Life is an independent public body which advises government on ethical standards across the whole of public life in the UK (also known as the Nolan Committee). The Committee believes that 'Seven Principles of Public Life' should apply to all in the public service. The PCC and Chief Constable will seek to develop its working behaviour around these principles (see below). All such declarations will be recorded in a public Register maintained by the Chief Executive and made available to the public on request.

Selflessness

Holders of public office should act solely in terms of the public interest. They should not do so in order to gain financial or other benefits for themselves, their family or their friends.

Integrity

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in their performance of the official duties.

Objectivity

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

Accountability

Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

Openness

Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

Honesty

Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

Leadership

Holders of public office should promote and support these principles by leadership and example.

4.3.5 ***Fraud Response Plan***

Suspected fraud or corruption alleged to have been committed by a OPCC officer or a contractor should be immediately reported to the OPCC Chief Executive or, in the

case of an allegation being made about the Chief Executive or in his/her absence, to the OPCC Deputy Chief Executive or CFO.

In the cases where allegations relate to Police staff or contractors of Lincolnshire Police any allegation should be reported to their Line Manager, Professional Standards Department, or for anonymity through the Confidential Reporting 'Bad Apple' system.

The **'Bad Apple'** reporting facility on the intranet includes details about how to report a notifiable association, how to submit intelligence, advice in relation to debt planning and the facility to have a secure e-conversation with the ACU.

NOTE: Access via Police Systems 'quick links' on intranet home page or http://hq-svr-apps-03/badapple/default.asp) (internal link only).

Individuals are encouraged to put their name to the concern and information wherever possible. All information will be treated as confidential. Anonymous concerns will be investigated. However, at the appropriate time it may be necessary for the individual raising the concern to come forward as a witness, but they will be afforded anonymity in line with the Force's reporting person's policy.

Information must be disclosed in good faith. Malicious, false or vexatious allegations must not be made and appropriate action will be taken against the instigators of such allegations.

OPCC staff may utilise the process outlined in the Confidential Reporting ("Whistle blowing") Policy. The Force's Professional Standards Reporting (Whistleblowing) policy (PD48-7) is owned by the Deputy Chief Constable and is available on the Force intranet: http://intranet.lincspolice.local/Library/Policies/P/Professional-Standards-Reporting-Policy-PD-48-7-.pdf

The PCC has a duty to report all suspected fraud to its external auditors. The OPCC CFO at the earliest opportunity will do this.

4.3.6 ***Detection and Investigation***

The array of preventative systems, particularly internal control systems within the organisations, has been designed to provide indicators of any fraudulent activity, although generally they should be sufficient in themselves to deter fraud.

It is the responsibility of management to prevent and detect fraud and corruption. However, it is often the alertness of staff and the public that enables detection to occur and the appropriate action to take place when there is evidence that fraud or corruption may have been committed or is in progress.

Despite the best efforts of managers, supervisors and auditors, many frauds are often discovered by chance or 'tip-off', and the PCC and Chief Constable has arrangements in place to enable such information to be properly dealt with.

The relevant misconduct/disciplinary procedure concerning the suspected individual will be initiated where the outcome of the investigation indicates improper behaviour. In addition, civil legal action may be taken for the recovery of money or property misappropriated from the organisation.

All managers and supervisors should ensure that controls are in place to prevent and detect fraud and error. There is a need to be aware of the possibility of fraud when

reviewing or presented with, for example, claims, forms, and documentation. Issues that may give rise to suspicions or allegations are:

- Documents that have been altered, use of correction fluid, or different pens and different handwriting.
- Claims that cannot be checked, particularly if prior authorisation was not given.
- Confused, illegible text and missing details.
- Delays in documentation completion or submission.
- Lack of vouchers or receipts to support claims.

With the increasing use of electronic based systems which can rely on "self-certification" for making claims the onus is on individuals to submit correct claims supported by relevant documentation and appropriately authorised.

The Officer to whom the report of suspected fraud or corruption has been made will instigate and oversee a proper and timely investigation. It may be appropriate for the investigation to be conducted by the Force Professional Standards Department. The principles of the Force Professional Standards Policy will be adhered to at all times.

The investigation shall take account of the requirements of the criminal law and advice should be sought from the Force legal department at the earliest opportunity to determine whether the alleged act may constitute a criminal offence.

Where an allegation of fraud or corruption is made against a Lincolnshire Police Officer, Police Community Support Officer (PCSO) or retained support staff the details will be forwarded to the Professional Standards Department for investigation. Dependent on the allegation a decision will be made by the appropriate authority whether to suspend the individual whilst any investigation is ongoing.

G4S Policing Support Services (G4S PSS) is committed to the highest standards of ethical conduct and integrity in its business activities. The Company is dedicated to implementing effective measures to prevent, monitor and eliminate fraud and corruption. Furthermore, in support of this commitment, G4S PSSH will effectively deal with reports of such activity by ensuring that managers and employees have a detailed understanding of the Company's minimum standards of operation, and the expectations of their customers and stakeholders G4S, and by having the following policies in relation to anti-fraud and corruption matters:

- Anti-bribery Policy
- Business Ethics Policy
- Whistle-blowing Policy

4.3.7 ***Training***

The organisation recognises that the continuing success of its Anti-Fraud and Corruption Policy and its general credibility will depend largely on the effectiveness of programmed training and the responsiveness of the Chief Constable, PCC, Deputy PCC and of employees throughout the organisation.

To facilitate this, the Chief Constable and PCC supports the concept of induction and training, particularly for staff involved in internal control systems, to ensure that their responsibilities and duties in this respect are regularly highlighted and reinforced.

The possibility of disciplinary action against staff who ignore such training and guidance is made clear.

Mandatory training on counter corruption is provided via the NCALT (National Centre

for Applied Learning Technologies) e-learning system.

4.4 ***Legal Basis***

Fraud is defined in the Fraud Act 2006 and covers fraud by false representation, fraud by failing to disclose information and fraud by abuse of position as follows:

Fraud by false representation

A person is in breach of this section if he

(a) dishonestly makes a false representation, and

(b)intends, by making the representation—

(i) to make a gain for himself or another, or

(ii) to cause loss to another or to expose another to a risk of loss.

(2) A representation is false if—

(a) it is untrue or misleading, and

(b) the person making it knows that it is, or might be, untrue or misleading.

(3) Representation" means any representation as to fact or law, including a representation as to the state of mind of—

(a) the person making the representation, or

(b) any other person.

(4) A representation may be express or implied.

(5) For the purposes of this section a representation may be regarded as made if it (or anything implying it) is submitted in any form to any system or device designed to receive, convey or respond to communications (with or without human intervention).

Fraud by failing to disclose information

A person is in breach of this section if he—

(a) dishonestly fails to disclose to another person information which he is under a legal duty to disclose, and

(b) intends, by failing to disclose the information—

(i) to make a gain for himself or another, or

(ii) to cause loss to another or to expose another to a risk of loss.

Fraud by abuse of position

(1) A person is in breach of this section if he—

(a) occupies a position in which he is expected to safeguard, or not to act against, the financial interests of another person,

(b) dishonestly abuses that position, and

(c) intends, by means of the abuse of that position—

(i) to make a gain for himself or another, or

(ii) to cause loss to another or to expose another to a risk of loss.

(2) A person may be regarded as having abused his position even though his conduct consisted of an omission rather than an act.

The Criminal Justice and Courts Act 2015 creates offences of:

Corrupt or other improper exercise of police powers and privileges

(1) A police constable commits an offence if he or she—

(a) exercises the powers and privileges of a constable (or Special Constable or a National Crime Agency officer designated under section 9 or 10 of the Crime and Courts Act 2013 as having the powers and privileges of a constable.)

improperly, and

(b) knows or ought to know that the exercise is improper.

Improper exercise of the powers and privileges of a constable is constituted by —

(a) he or she exercises a power or privilege (of a constable) for the purpose of achieving—

(i) a benefit for himself or herself, or

(ii) a benefit or a detriment for another person, and

(b) a reasonable person would not expect the power or privilege to be exercised for the purpose of achieving that benefit or detriment.

Or where

(a) the police constable fails to exercise a power or privilege of a constable,

(b) the purpose of the failure is to achieve a benefit or detriment

(c) a reasonable person would not expect a constable to fail to exercise the power or privilege for the purpose of achieving that benefit or detriment.

Or where—

(a) the police constable threatens to exercise, or not to exercise, a power or privilege of a constable,

(b) a reasonable person would not expect a constable to threaten to exercise, or not to exercise, the power or privilege for the purpose of achieving that benefit or detriment.

The Bribery Act 2010 creates offences of:

(a) Bribing another person to induce a person to perform improperly a relevant function or activity or to reward a person for the improper performance of such a function or activity.
(b) Requests, agrees to receive, or accepts a financial or other advantage intending that a function or activity should be performed improperly whether by that person or another.

This is a common sense approach for individuals and line managers. However responsibilities under the Bribery Act 2010 should be in line with the Business Interests 7 Additional Employment Policy PD23 (2) and the Gifts & Hospitality Policy PD 26(3).

The Public Interest Disclosure Act 1998 protects employees who report suspected fraud or corruption activities from any reprisals, as long as they meet the rules set out in the Act. Put simply, the rules for making a protected disclosure are:

- The information disclosed is made in good faith.
- The person making the disclosure must believe it to be substantially true.
- The person making the disclosure must not act maliciously or make false allegations.
- The person making the allegation must not be seeking any personal gain.

Under the Act, the designated officer required to receive disclosures is the Chief Executive and Monitoring Officer. The designated officer required to receive disclosures relating to Lincolnshire Police is the Deputy Chief Constable (delegated to the Head of Professional Standards Department*).*

4.5 ***Human Rights Considerations/Articles Engaged***

Application of this policy has the potential to engage Articles 3 and 8 of the European Convention of Human Rights/Human Rights Act 1998, i.e. prohibition of degrading treatment and right to respect for private and family life. Such an interference must have a legitimate aim which in this case is:

a) The prevention of crime and disorder.
b) The protection of the rights and freedom of others.

Where there is a potential interference with an individual's rights there must always be sufficient reason and the interference must be justified, proportionate and least intrusive.

Proportionate means that the action taken in pursuit of the policy must be proportionate to its aims. In this case the policy seeks to ensure that the force complies with the disclosure requirements of the legislation and the described revelation methods are proportionate to achieving that aim. It is also relevant that revelation to the Crown Prosecution Service (CPS) does not automatically mean disclosure to the defence and use in court. Proportionality will also be addressed in the decision as to whether material revealed in accordance with the policy is actually disclosed.

The courts have demonstrated time and again that ensuring defendants have the right to a fair trial, Article 6 ECHR/Human Rights Act 1998 is of paramount importance and this policy reflects that.

4.6 ***Code of Ethics***

All staff involved in carrying out functions under this policy and associated procedures and appendices will do so in accordance with the principles of the Code of Ethics. The aim of the Code of Ethics is to support each member of the policing profession to deliver the highest professional standards in their service to the public.

5. APPENDICES

Guidelines For Reporting Irregularities - Appendix 1

Initial Equality Impact Assessment Form – Appendix 2

Anti-fraud and corruption meeting terms of reference - Appendix 3

6. IMPLICATIONS OF THE POLICY

It is recognised that the guidance contained under this heading may not be directly applicable to all policies. Where it is relevant however, the following areas should be considered:

6.1 *Financial Implications/Best Value*

The OPCC CFO and Force CFO have statutory duties and responsibility for the financial administration of the Force and PCC and therefore must be informed of any initial report, giving rise to any suspected fraud or corruption.

6.2 *Human Resources/Training*

All officers and staff must complete a mandatory NCALT counter corruption training course.

6.3 *Strategic/Business Plan*

N/A

6.4 *Risk Management*

Fraud is considered as part of the Force and PCC's Risk management processes. Current, emerging and significant risks and issues are considered by the Force and OPCC on a quarterly basis through the Anti-fraud and corruption meeting (terms of reference are attached at Appendix 3).

6.5 *Health and Safety*

N/A

6.6 *Diversity*

An Initial Equality Impact Assessment has been carried out with regard to this policy and is attached as an appendix.

6.7 *Children and Young People*

N/A

6.8 ***Crime and Disorder Act***

N/A

6.9 ***Internal Policy/Strategy Links***

Code of Ethics.
Business Interests & Additional Employment Policy PD 23(2)
Gifts & Hospitality Policy PD 26(3)
Professional Standards Reporting (PD48-7)
Anti-Money laundering Policy PD 220 (1)

6.10 ***Consultation***

The Joint Independent Audit Committee will be consulted on changes to the policy.

6.11 ***Publication***

The policy is published on the PCC website, Lincolnshire Police Force website and on the Force Intranet.

7. PROMOTION/DISTRIBUTION

The Policy is distributed to the PCC and members of staff.

Policy available via Force Intranet.

8. MONITORING/REVIEW

Approval of this policy

Version 6.8 of this policy was approved by the Chief Executive in January 2017.

Review and monitoring

This policy will be subject to review to ensure it remains current and monitored annually. The Chief Executive will do this. The next date for review is May 2017.

The Force Risk Management Board maintains oversight of all policies.

Appendix 1

GUIDELINES FOR REPORTING IRREGULARITIES

Attention is drawn to the information contained within the 'Culture' section of the policy document, which identifies potential avenues of bringing suspected wrong-doing to the attention of others. Individuals intending to report irregularities should give consideration to the following issues:

- Do not approach, interview or accuse anyone you suspect of being involved.
- Assemble all the facts and documentation available from the sources immediately to hand.
- If intelligence has come via the telephone, then information notified should be written down, the date and time noted, and the name and address of the source information recorded if they are willing to make it available.
- Prepare a briefing note of the circumstances.
- Do not make further enquiries without authorisation.

PROCEDURES

1. If a member of the public makes allegations of fraud and corruption against:
    - Personnel employed by Lincolnshire Police
    - Personnel employed by the Strategic Partner G4S, and
    - all external contractors (engaged either by Lincolnshire Police or the Police and Crime Commissioner for Lincolnshire)

    The Professional Standards Public Complaints and Misconduct Policy and Procedure must be followed. A copy can be accessed from the Lincolnshire Police website using the following link:

    http://lincs.police.uk/Library/Freedom-of-Information/Publication-Scheme/Our-Policies-And-Procedures/PQR/Professional-Standards-Public-Complaints-and-Misconduct-Policy-PD-21.html

2. If a member of the public makes allegations of fraud and corruption against the Police and Crime Commissioner, the Police and Crime Panel for Lincolnshire's complaints handling procedure must be followed. A copy can be accessed from the Police and Crime Commissioner's website using the following link:

    http://www.lincolnshire-pcc.gov.uk/Document-Library/Procedure-for-making-a-complaint-against-the-PCC---Revised-Nov-2013.pdf

3. If a member of the public makes allegations of fraud and corruption against the Chief Constable, the Police and Crime Commissioner's procedure for handling complaints and conduct matters involving the Chief Constable must be followed. A copy can be accessed from the Police and Crime Commissioner's website using the following link:

    http://www.lincolnshire-pcc.gov.uk/Document-Library/Complaints-Misconduct-Procedures-Chief-Constable-v3-Aug-2014.pdf

4. If a member of the public makes allegations of fraud and corruption against the Chief Executive & Monitoring Officer and/or the Chief Finance Officer to the Police and Crime Commissioner, the OPCC disciplinary and dismissal procedure must be followed. A copy can be accessed from the Police and Crime Commissioner's website using the following link:

http://www.lincolnshire-pcc.gov.uk/Document-Library/CE-and-CFO-Complaints-Procedure.pdf

5. If a member of the public makes allegations of fraud and corruption against any other member of staff employed by the Police and Crime Commissioner, the OPCC complaints procedure must be followed. A copy of the procedure can be accessed from the Police and Crime Commissioner's website using the following link:

   http://www.lincolnshire-pcc.gov.uk/Document-Library/OPCC-Complaints-Procedure.pdf

   If the OPCC is notified of allegations relating to personnel employed by Lincolnshire Police, the Strategic Partner G4S, or external contractors (engaged either by Lincolnshire Police or the Police and Crime Commissioner) the matter will be referred to the Lincolnshire Police Professional Standards Department.

6. If an employee of Lincolnshire Police makes allegations of fraud and corruption against a fellow employee or external contractor, the Professional Standards Reporting (Whistleblowing) Policy and procedure should be followed. A copy can be accessed from the Lincolnshire Police website using the following link:

   http://lincs.police.uk/Library/Freedom-of-Information/Publication-Scheme/Our-Policies-And-Procedures/PQR/Professional-Standards-Reporting-Policy-PD-48.html

7. If an employee of the Office of the Police and Crime Commissioner makes allegations of fraud and corruption against a fellow employee, agency staff or consultants undertaking work on behalf of the OPCC or contractors engaged by the OPCC, the OPCC Confidential Reporting ('Whistleblowing') Policy and procedure should be followed. A copy can be accessed from the Police and Crime Commissioner's website using the following link:

   http://www.lincolnshire-pcc.gov.uk/Policy/Confidential-Reporting-(Whistleblowing)-Policy-.aspx

Appendix 2 PRO-FORMA FOR THE INITIAL ASSESSMENT

This screening document is the first stage in a two-stage process to take a systematic approach to assessing the impact of an activity on equality. An activity may mean a:

- policy or policy review,
- a business case
- a business plan
- a project initiation
- a decision to implement a service
- a decision to decommission a service.

This screening should be completed by the lead person for the activity with assistance from any of the following departments:

- Human Resources (Where appropriate)
- Equality and Diversity

Department:	***Office of the Police and Crime Commissioner***	**Section:**		**Person responsible for initial assessment:**	Ginny Mason, Research and Performance Officer
Name of the Policy to be assessed:	Anti-fraud and corruption	**Date of Assessment:**	20 June 2014	**Is this a new or existing policy?**	Existing
1. Briefly describe the aims, objectives and purpose of the policy.		The aim of the policy is to prevent fraud and corruption in Lincolnshire Police. The overall objective is to maintain the reputation and integrity of Lincolnshire Police and the Police and Crime Commissioner. The policy aims to maintain minimum losses through fraud and corruption. The PCC and Lincolnshire Police are committed to delivering policing services in accordance with the highest ethical and legal standards. The public and staff have the right to expect that professional, competent and trustworthy people are employed by the PCC and Chief Constable.			

2. Are there any associated objectives of the policy? Please explain.	The introduction of The Bribery Act 2010, places an obligation on the organisation to have in place policies that ensure all transactions it undertakes are carried out with integrity		
3. Who is intended to benefit from the policy and in what way?	All officers, staff, partners and contractors associated with Lincolnshire Police and the Office of the Police and Crime Commissioner (OPCC). The wider public in terms of trust and confidence.		
4. What outcomes are wanted from this policy?	Not only is this policy a legal requirement; the PCC and Lincolnshire Police are committed to a culture of honesty, integrity and propriety in the holding of public office and the use of public funds.		
5. What factors/forces could contribute/detract from the outcomes?	Lack of awareness of the policy. Negative publicity would significantly damage the reputation of the PCC and Lincolnshire Police. It would also possibly have a negative impact on the people of Lincolnshire's levels of trust and confidence in the local police service.		
6. Who are the main stakeholders in relation to the Policy?	Officers, members of staff, partners, contractors and residents.		
7. Who implements the policy and who is responsible for the activity?	***Line managers, Senior leaders, Professional Standards Department***		
8. Is there any likelihood the policy **could** have a differential impact on racial groups? (including Gypsies and Travellers)	*Y*	*NO*	**Please explain** This policy is substantially neutral in impact as it sets out principles that are designed to protect the honest majority of employees. There are no differential impacts on racial groups. The policy applies to all employees.

What existing evidence (either presumed or otherwise) do you have for this?	n/a		
9. Is there any likelihood the policy **could** have a differential impact due to gender?	Y	*NO*	**Please explain** This policy is substantially neutral in impact as it sets out principles that are designed to protect the honest majority of employees. There are no differential impacts on gender. The policy applies to all employees.
What existing evidence (either presumed or otherwise) do you have for this?	n/a		
10. Is there any likelihood the policy **could** have a differential impact on due disability?	*Y*	*NO*	**Please explain** This policy is substantially neutral in impact as it sets out principles that are designed to protect the honest majority of employees. There are no differential impacts on disability. The policy applies to all employees.
What existing evidence (either presumed or otherwise) do you have for this?	n/a		
11. Is there any likelihood the policy **could** have a differential impact on people due to sexual orientation?	*Y*	*NO*	**Please explain** This policy is substantially neutral in impact as it sets out principles that are designed to protect the honest majority of employees. There are no differential impacts on sexual orientation. The policy applies to all employees.
What existing evidence (either presumed or otherwise) do you have for this?	n/a		
12. Is there any likelihood the policy **could** have a differential impact on people due to their age?			**Please explain** This policy is substantially neutral in impact as it sets out principles that are designed to protect the honest majority of

	Y	*NO*	employees. There are no differential impacts on age. The policy applies to all employees.
12a Is there any likelihood the policy **could** have a differential impact on Young People and Children?	*Y*	*NO*	*Please explain* This policy is substantially neutral in impact as it sets out principles that are designed to protect the honest majority of employees. There are no differential impacts on young people and children. The policy applies to all employees.
What existing evidence (either presumed or otherwise) do you have for this?	n/a		
12b Is there any likelihood the policy **could** have a differential impact on Older People?	*Y*	*NO*	**Please explain** This policy is substantially neutral in impact as it sets out principles that are designed to protect the honest majority of employees. There are no differential impacts on older people. The policy applies to all employees.
What existing evidence (either presumed or otherwise) do you have for this?	n/a		
13. Is there any likelihood the policy **could** have a differential impact on people due to their religious belief?	*Y*	*NO*	**Please explain** This policy is substantially neutral in impact as it sets out principles that are designed to protect the honest majority of employees. There are no differential impacts on religious belief. The policy applies to all employees.
What existing evidence (either presumed or otherwise) do you have for this?	n/a		

14. Is there any likelihood the policy **could** have a differential impact on people due to them having dependants/caring responsibilities?	*Y*	*NO*	**Please explain** This policy is substantially neutral in impact as it sets out principles that are designed to protect the honest majority of employees. There are no differential impacts on people due to them having dependants/caring responsibilities. The policy applies to all employees.
What existing evidence (either presumed or otherwise) do you have for this?	n/a		
15. Is there any likelihood the activity **could** have a differential impact on people due to Marriage or Civil partnership?	*Y*	*NO*	*Please explain* This policy is substantially neutral in impact as it sets out principles that are designed to protect the honest majority of employees. There are no differential impacts on people due to marriage or civil partnership. The policy applies to all employees.
What existing evidence (either presumed or otherwise) do you have for this?	n/a		
16. Is there any likelihood the policy **could** have a differential impact on people due to them being Transgender or Transsexual?	*Y*	*NO*	**Please explain** This policy is substantially neutral in impact as it sets out principles that are designed to protect the honest majority of employees. There are no differential impacts on people due to them being transgender or transsexual. The policy applies to all employees.
What existing evidence (either presumed or otherwise) do you have for this?	n/a		

17. If a differential impact has been identified in 8-16, will this amount to there being the potential for an adverse impact in this policy?	*Y*	*NO*	*Please explain*
18. Can this adverse impact be justified on the grounds of promoting equality of opportunity for one group? Or any other reason?	*Y*	*NO*	**Please explain for each equality heading (question 8-16) on a separate piece of paper**

19. If Yes, is there enough evidence to proceed to a full EIA? Is there enough concern about a policy or practice to do an in depth assessment.	*YES*	*NO*
20. Date on which Full impact assessment to be completed by.		

Signed (completing officer):

Aubrey Williams, Research and Performance Officer

Signed (Lead officer)

Malcolm Burch, Chief Executive

Groups Affected

Please identify the anticipated impact this activity will have on the following population groups.

- Tick the appropriate box and give explanation if so required,
- Please note that there are both likely benefits and adverse impact within the same group
- Any groups highlighted as likely to be adversely affected should be consulted in the second stage Full Impact Assessment if one has been identified as being needed.

	Likely to Benefit	No Impact	Adverse Impact
Disability - Physical ,Sensory, Learning Disability, Mental Health, Carers		✓	
Gender - Male , Female		✓	
Transgender		✓	
Race - Traveller and Gypsy etc		✓	
Sexual Orientation - Lesbian, Gay , Bisexual		✓	
Religion and Belief		✓	
Age - Young and Old		✓	
Marriage and Civil Partnerships		✓	

Appendix 3

Anti-Fraud and Corruption Meeting
Terms of Reference

The Police and Crime Commissioner (PCC) and the Chief Constable (CC) Chief Finance Officers (CFO) have responsibilities for the effective stewardship of public money and for safeguarding against losses due to fraud and corruption.

Purpose:
The purpose of the meeting is to enable the group to discuss the current and emerging risks and issues in relation to anti-fraud and corruption and whistleblowing.

Frequency of meeting:
Quarterly

Membership:
PCC Chief Finance Officer, the Force Chief Finance Officer, Internal Audit Manager, Deputy CFO,Head of the Professional Standards Department (PSD), the PCC Research and Performance Officer and a representative from the HR Department and Legal Services Department.

Chairman:
PCC Chief Finance Officer

Functions:

- To receive an oral update report from the Head of PSD on current and emerging risks in relation to anti-fraud and corruption including an exception briefing on the delivery of the Force's Anti-fraud and corruption strategy.
- To review and monitor the Force's processes regarding: threat and risk assessment, strategy development, resourcing arrangements and action planning, in line with the adopted CIPFA Code.
- To receive an oral briefing by the Head of PSD, HR representative, Internal Audit Manager and PCC/CC CFOs of any significant concerns, relevant cases to note and any new initiatives or activities (such as e-learning packages) in relation to anti-fraud and corruption and whistleblowing.
- To advise the PCC CFO and the Force CFO on anti-fraud and corruption and whistleblowing matters, providing assurance to all parties that the relevant systems and procedures are subject to regular review against best practice and that identified weaknesses are managed.
- To provide links to other existing governance mechanisms across the organisations, where appropriate:
    - To the confidential risk management board, internal audit planning, financial management and assurance around internal controls.
    - To the PCC's Professional Standards Governance meeting.
    - to the work of the External Auditors, who also require an understanding of how those charged with governance exercise oversight of management's processes for identifying and responding to the risk of fraud and the internal control that management has established to mitigate the risk.
- To consider any nationally produced reports, guidance and best practice, which will be discussed as appropriate.
- Any issues relevant to the 'Scheme of Arrangements for the discharge of functions, Section FR 26.2' [i.e. any matter which involves, or is thought to involve, irregularities

concerning cash, stores or other property of the PCC or Chief Constable will be raised with the relevant CFO] be raised at the AF&C meeting.

Reporting mechanism

The Joint Independent Audit Committee (JIAC) has a role in reviewing arrangements for the assessment of fraud risks and potential harm from fraud and corruption and monitoring the effectiveness of the counter-fraud strategy, actions and resources.

A report will be provided to the JIAC on an annual basis that details the PCC/Chief Constable approach to anti-fraud and corruption.

Version 1.4
18 June 2015